

Industry Highlights - Q1 of 2020 Vs Q1 of 2019

No.	Description		Quarter 01 - 2020	Quarter 01 - 2019 ^{Note 2}
			Value (Rs.'000)	Value (Rs.'000)
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance	3,579,688	4,074,620
		2. General Insurance	1,881,989	1,622,112
	Profit of Insurance Companies (After Tax)	1. Life Insurance	Not Available	Not Available
		2. General Insurance	Not Available	Not Available
2	Underwriting Profit of Insurance Companies underwriting profit	1. Life Insurance	Not Applicable	Not Applicable
		2. General Insurance	3,372,704	2,419,836
3	Capital levels of Insurance Companies	1. Life Insurance	113,120,575	100,737,522
		2. General Insurance	86,824,930	85,734,827
	Compliance with Solvency Margin (RBC)		Two Life Insurance companies, One General Insurance Company and a Composite Insurance Company did not comply with minimum requirement.	A Composite Insurance Company did not comply with minimum requirement.
4	Total Assets of the insurance sector		697,480,076	632,997,516
5	Distribution of total assets of insurance companies	1. Life Insurance	508,975,693	446,565,470
		Government Debt Securities	200,878,567	180,697,306
		Equities	22,489,018	26,031,575
		Investments in Subsidiaries	3,839,684	3,694,914
		Investments in Associates	2,087,287	1,732,414
		Corporate Debt	106,069,657	90,667,786
		Land & Buildings	5,135,148	4,509,232
		Deposits	84,716,914	73,790,137
		Unit Trusts	6,585,866	6,332,388
		Investments in Gold	-	-
		Reinsurance receivable	1,812,031	1,656,221
		Policy Loans	6,903,646	6,254,458
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	3,959,961	2,361,149
		Intangible Assets	2,641,501	3,027,141
		Property Plant and Equipment	16,215,480	14,104,838
Other Loans	4,528,418	4,331,406		
Other Assets	31,908,377	24,290,522		
Cash and cash equivalents	9,204,138	3,083,984		

		2. General Insurance	188,504,383	186,432,046
		Government Debt Securities	40,245,435	42,228,231
		Equities	7,178,540	11,248,895
		Investments in Subsidiaries	20,731,479	20,832,121
		Investments in Associates	148,509	148,509
		Corporate Debt	16,566,798	13,719,712
		Land & Buildings	1,964,945	1,915,466
		Deposits	24,138,528	21,087,253
		Unit Trusts	1,437,605	1,285,173
		Investments in Gold	-	-
		Reinsurance receivable	12,134,167	14,341,831
		Policy Loans	-	-
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	26,123,692	24,936,720
		Intangible Assets	2,026,162	1,704,436
		Property Plant and Equipment	17,775,349	17,915,301
		Other Loans	1,081,722	1,231,490
		Other Assets	12,151,617	10,774,939
		Cash and cash equivalents	4,799,835	3,061,969
6	Gross Premiums for different classes of insurance	Total	48,778,043	46,566,724
		1. Life Insurance	21,735,302	20,551,278
		2. General Insurance	27,042,741	26,015,446
		a. Motor	16,112,386	16,427,454
		b. Fire	3,266,812	2,821,765
		c. Marine	624,890	626,939
		d. Health	3,513,471	2,788,152
		e. Other categories	3,525,182	3,351,136

No.	Description	Quarter 01 - 2020 Value (Rs.'000)	Quarter 01 - 2019 ^{Note 2} Value (Rs.'000)	
7	Reinsurance by Insurance Companies	1. Reinsurance premiums	8,694,816	6,953,452
		a. Life Insurance	1,084,247	733,401
		b. General Insurance	7,610,569	6,220,051
		a. Motor	1,480,603	1,208,212
		b. Fire	2,697,438	2,251,493
		c. Marine	367,848	332,593
		d. Health	654,315	482,698
	e. Other categories	2,410,365	1,945,054	
	Retention by Insurance Companies	2. Retention of Premium	40,083,227	39,613,272
		a. Life Insurance	20,651,055	19,817,877
		b. General Insurance	19,432,172	19,795,395
		a. Motor	14,631,782	15,219,241
		b. Fire	569,374	570,272
		c. Marine	257,043	294,346
d. Health		2,859,156	2,305,454	
e. Other categories	1,114,817	1,406,082		
8	Earned Premiums for different classes of insurance	Total	39,166,911	38,292,435
		1. Life Insurance	20,650,892	19,817,292
		2. General Insurance	18,516,019	18,475,143
		a. Motor	14,313,642	14,272,600
		b. Fire	388,711	479,107
		c. Marine	297,973	309,303
		d. Health	2,304,450	1,988,396
		e. Other categories	1,211,244	1,425,737

9	Claims of Insurance companies	1. Life Insurance	9,923,279	9,643,169
		2. General Insurance	10,654,279	12,012,558
		a. Motor	7,630,489	8,633,746
		b. Fire	479,717	675,760
		c. Marine	72,321	263,562
		d. Health	1,941,955	1,843,157
	e. Other categories	529,798	596,334	
10	Investments of the Insurance sector with breakup	1. Life Insurance	443,234,204	398,041,616
		Government Debt Securities	200,878,567	180,697,306
		Equities	22,489,018	26,031,575
		Investments in Subsidiaries	3,839,684	3,694,914
		Investments in Associates	2,087,287	1,732,414
		Corporate Debt	106,069,657	90,667,786
		Land & Buildings	5,135,148	4,509,232
		Deposits	84,716,914	73,790,137
		Unit Trusts	6,585,866	6,332,388
		Investments in Gold	-	-
		Policy Loans	6,903,646	6,254,458
		Mortgage Loans	-	-
		Other Loans	4,528,418	4,331,406
	Investments of the Insurance sector with breakup	2. General Insurance	113,493,561	113,696,850
		Government Debt Securities	40,245,435	42,228,231
		Equities	7,178,540	11,248,895
		Investments in Subsidiaries	20,731,479	20,832,121
		Investments in Associates	148,509	148,509
		Corporate Debt	16,566,798	13,719,712
		Land & Buildings	1,964,945	1,915,466
		Deposits	24,138,528	21,087,253
		Unit Trusts	1,437,605	1,285,173
		Investments in Gold	-	-
Policy Loans	-	-		
Mortgage Loans	-	-		
Other Loans	1,081,722	1,231,490		
11	Investment Income of Insurance Companies	1. Life Insurance	8,909,639	9,500,777
		2. General Insurance	1,827,910	2,875,815

	Description		Quarter 01 - 2020		Quarter 01 - 2019 ^{Note 2}	
12	Aspects of Financial System	Indicator	General Insurance	Life Insurance	General Insurance	Life Insurance
	Capital Adequacy	Capital Adequacy Ratio	200%	299%	156%	293%
		Capital to Total Assets	0.46	0.22	0.46	0.23
		Capital to Technical Reserves	1.46	N/A	1.48	N/A
		Technical Reserve Ratio (%)	128.99	N/A	130.51	N/A
	Earnings and Profitability	Profitability Ratio (%)	6.96	16.47	6.24	19.83
		Underwriting Ratio (%)	18.22	N/A	13.10	N/A
		Return on Assets (ROA) (%)	4.01	3.64	4.71	2.07
		Return on Equity (ROE) (%)	8.70	16.28	9.98	9.33
		Net Combined Operating Ratio (%)	104.32	93.77	106.85	97.95
		Investment Yield Ratio (%)	8.77	10.04	7.77	9.52
		Premium Stability Ratio (%)	3.95	5.76	2.80	10.38
	Liquidity	Liquidity Ratio	0.68	0.74	0.66	0.74
		Loss Ratio (%)	57.54	48.05	65.02	48.66
	Reinsurance and Actuarial Issues	Retention (Reinsurance) Ratio (%)	71.86	95.01	76.09	96.43
Costs	Management Expense Ratio (%)	46.78	45.72	41.83	49.29	
13	Total Assets of the Insurance Brokering Companies ^{Note 3}		5,438,345		5,106,858	
14	Compliance with regulatory requirements	Any non-compliance with the Regulatory requirements will be informed to the relevant companies to take corrective actions and monitored those accordingly.				
15	Developments in the insurance industry, with specific references to the buildup of risk	Profits (PBT) of Life Insurance business shows an decrease (Rs. 495Mn) in the 1st quarter 2020. Overall profits (PBT) of General Insurance business increased by 16%.				
		Assets of insurance industry had grown by 10%. Assets of Life Insurance business had recorded an increase by 14% due to increase in government securities (11%), corporate debts (17%), and Deposits (15%). However assets of General Insurance business had increased only by 1%. Corporate debts (21%), deposits (14%), other assets (13%) and cash & cash equivalents (57%) had indicated an increase. Equity had increased by 12% and 1% for Life Insurance business and General Insurance business respectively.				

Premium growth for Life Insurance business was 6%, while General Insurance business recorded a growth of 4% & overall industry premium growth was 5%.

Claims of Life Insurance business had increased by 3% and claims of General Insurance business had decreased by 11%.
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Notes

- Note 1** The above columns represents insurance companies' information excluding National Insurance Trust Fund (NITF) due to non submission of Quarterly Returns.
- Note 2** Figures published for 1st Quarter 2019 were revised due to consistency purposes (MBSL information were not included in the figures published for 1st quarter 2019 due to non submission, but are included in this version. Therefore there are significant differences in previously submitted information.)
- Note 3** Total assets of the Insurance Brokering Companies represents all Insurance Brokering Companies excluding 18 Brokering Companies out of which 16 are due to non-submission of Quarterly Returns and 2 are due to suspension of the license.